



Statement by U.S. Senator Dianne Feinstein  
*In Support of an Extension of the Internet Access Tax Ban*  
April 29, 2004

"I voted today to support an extension of the ban on Internet access taxes because improvements were made which spared cities the full brunt of legislation that could have totaled \$800 million a year for California cities alone. These funds are critical to help provide police, fire and other emergency services.

While the final bill was not perfect, I felt it was important that consumers be able to connect to the internet without new taxes.

When S.150 was first introduced by Senator George Allen (R-VA) and Ron Wyden (D-OR), it could have prevented cities from continuing to levy taxes on phone service that had always been taxable.

However, a substitute amendment by Senator John McCain (R-AZ), which was approved by the Senate, protects cities by allowing them to continue collecting revenue from phone calls, even if those calls are carried over the Internet.

The bottom line is that an extension of the ban on internet access taxes is important and I believe we were able to do this in a way that protects our cities and their ability to provide basic services."